MONTANA BOARD OF HORSE RACING
BOARD MEETING
March 8, 2011
3:00 P.M.
Scott Hart Auditorium
Helena MT
Draft Minutes

ATTENDANCE:
Topper Tracy   Shawn Readbird
Dale Mahlum   Sue Austin
Tom Fisher   Christian Mackay, acting BOHR executive secretary

PUBLIC IN ATTENDANCE: Tom Tucker, Janice Schoepf, Senator Cliff Larson, George Harris, Sherry Rust, minute taker.

CALLED TO ORDER: Christian Mackay called the meeting to order at 3:10 P.M.

Mr. Mackay introduced new board members Dale Mahlum and Tom Fisher. John Hayes, also newly appointed was not in attendance...   He then called for nominations for chairman of the BOHR to replace former chair Al Carruthers. Sue Austin nominated Dale Mahlum who was elected by acclamation. The new chairman challenged board members to work hard in their efforts to improve live horse racing in Montana.

FINANCIAL REPORT: George Harris, CSD administrator for the Department of Livestock presented a financial chart showing expenditures have exceeded revenue this fiscal year. He explained that the deficit as of 3/7/2011 of $614,249 must by state statue be paid off by fiscal year end (June 30, 2012). He reported income continues from both Fantasy Sports and Advanced Deposit Wagering at approximately $80,000 but noted simulcast wagering has been shut down citing no funding.
Christian Mackay said a no-interest advancement (loan) may be available from the Department of Administration to "clear" the deficit at FYE and suggested the BOHR vote to dedicate income from Fantasy Sports and ADW towards repayment of that loan. George Harris noted that it would likely take six years to pay it back. Mackay explained that DOA is a lender of last resort for the BOHR deficit.

Shawn Realbird moved that the BOHR dedicate the revenue from FS and ADW toward repayment of the DOA loan. Topper Tracy seconded and the motion passed.

OTHER BUSINESS: Mr. Mackay stated there is no money for simulcasts now but they are working on sources to get it up and running prior to the Kentucky Derby.
The Department of Commerce announced on Wednesday an award of $10,500 to Beartooth Resource Conservation & Development Area Inc. to help Yellowstone Horesracing Alliance for a simulcast business planning study. The award from Big Sky Economic Development Trust Funds will fund the study to evaluate system flaws and make alternative recommendations.
BOHR members agreed to support the study and discussed the possibility of Tom Tucker being recruited for this task.

MILES CITY RACE MEET: The Department of Commerce has received an application for tourism funds for payment of BOHR and MDOL regulatory expenses to hold the race meet at the Miles City Bucking Horse Sale. The application for $30,000 for 3 days of racing (stewards, licensing clerks, etc.) is being processed.

Shawn Realbird moved that BOHR support the application for tourism funds. Tom Fisher seconded and the motion passed.

COMMENTS FROM THE PUBLIC:
Jim Johnson, Western Montana Turf Club said the opportunity for live racing during the 2012 Missoula fair has passed as other venues were booked into the fairgrounds. But he expects they will be ready for the 2013 racing season.

A variety of persons requested dates when simulcast will be available and expressed concerns.

When asked "who is in charge, who do those in the racing industry address their questions to?" Christian Mackay explained that the Board of Horse Racing is an independent entity with its own laws and rules. The Department of Livestock basically runs the books and payroll and only stepped in because of the looming deficit and MDOL's statutory inability to provide Per Capita funds for BOHR expenditures.

Bob Utick, Bulls Eye Casino, stated he has the oldest simulcast facility in the state and with IMS (Tom Tucker) in charge things went well, positive cash flow etc.+

NOMINATIONS FOR VICE CHAIR: Chairman Mahlum expressed concern that the board had not vice chair and called for nominations for that position. Topper Tracy nominated Shawn Realbird, Tom Fisher seconded and the motion passed.

The meeting was adjourned at 4:50 P.M.

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              Signature   Date